#### **MINUTES**

# MONTANA SENATE 56th LEGISLATURE - REGULAR SESSION

# COMMITTEE ON BUSINESS AND INDUSTRY

Call to Order: By CHAIRMAN JOHN HERTEL, on February 2, 1999 at 8:00 A.M., in Room 410 Capitol.

# ROLL CALL

#### Members Present:

Sen. John Hertel, Chairman (R)

Sen. Mike Sprague, Vice Chairman (R)

Sen. Dale Berry (R)

Sen. Vicki Cocchiarella (D)

Sen. Bea McCarthy (D)

Sen. Glenn Roush (D)

Sen. Fred Thomas (R)

Members Excused: None.

Members Absent: None.

Staff Present: Bart Campbell, Legislative Branch

Mary Gay Wells, Committee Secretary

Please Note: These are summary minutes. Testimony and

discussion are paraphrased and condensed.

#### Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 289, 1/29/1999

SB 275, 1/29/1999

Executive Action: SB 227; SB 272

SB 234; SB 108

{Tape : 1; Side : A; Approx. Time Counter : 0}

#### EXECUTIVE ACTION ON SB 227

Motion: SEN. THOMAS moved that SB 227 DO PASS.

Motion: SEN. MCCARTHY moved that SB 227 BE AMENDED

EXHIBIT (bus26a01).

<u>Discussion</u>: Bart Campbell, Legislative Staff, explained the amendments that would allow decreases as well as increases by small telecommunications providers. The first five sections address the above. Section six allows a type of regulatory flexibility if a provider petitioned for that. The rest of the bill stayed the same. There were some changes in the title to reflect the additions to the bill.

Vote: Motion to amend carried unanimously. 7-0

Motion/Vote: SEN. MCCARTHY moved that SB 227 DO PASS AS AMENDED.
Motion carried unanimously. 7-0

# EXECUTIVE ACTION ON SB 272

Motion: SEN. MCCARTHY moved that SB 272 DO PASS.

Discussion: SEN. VICKI COCCHIARELLA passed around applications that are necessary to be filled out for "gaming". The same application that has to be filled out for every kind of license that is necessary. The amendments that she is handing out **EXHIBIT (bus26a02)** calls this an endorsement to the distributor license, not a new license. Thereby, the \$1,000 fee has been If a person has applied to the Department for a distributor's license, the person also has to apply for this endorsement. This addresses the Justice Department's concern about all 22 of these entities in the State instantly having an endorsement. They can't instantly have an endorsement to export outside of Montana the parts, equipment, etc. that are legal outside of our jurisdiction but illegal in Montana. Requirements have been left in for reporting and the penalty for committing a crime which is to lose your license for life. There is no longer the additional \$1,000 fee. The \$1,000 fee for the distributor's license is still in effect. Mr. Campbell recapped the rest of the amendment. There is language that says if you are a licensed distributor on the effective date of this Act, you must apply for this endorsement within one year and that thereafter you become a

newly licensed distributor. On Section 4, people with endorsements must make known sales, etc. On Section 4, Subsection 2, which is a compromise with the Department because it says they are going to have to comply with all applicable local, tribal, state, federal or otherwise of other jurisdiction where it is not just limited to the U.S.

Motion: SEN. MCCARTHY moved that SB 272 BE AMENDED.

<u>Discussion</u>: SEN. MIKE SPRAGUE asked if this bill hinders or helps exporters of gaming machines like Video Lottery Co. SEN.

COCCHIARELLA said that this bill does not address manufacturing. Right now manufacturing of illegal machines in Montana for other jurisdictions is legal. This bill is for distribution. Fleetwood in Billings is the only entity that would apply for this endorsement. Hopefully there will be others in western Montana. They might buy old machines in Las Vegas, bring them into Montana, set them up to sell to an Indian reservation in North Dakota. Right now it is now allowed in Montana.

Distributors can only distribute legal machines in Montana.

<u>Vote</u>: Motion on amendments carried unanimously. 7-0

Motion: SEN. COCCHIARELLA moved that SB 272 DO PASS AS AMENDED.

Discussion: SEN. FRED THOMAS asked if this bill has any rulemaking authority. He wanted to know if they could prohibit them from making any rules. Mr. Campbell said that because of the nature of how this is done, amending some existing sections, there is already rule-making authority on the original bill. This bill also needs a codification section. SEN. THOMAS' concern is that the Department writes rules that are absolutely contrary to law. SEN. COCCHIARELLA said there is one part that has rule making and it has to do with where you can have a trade show. In this bill that on the premises they may show this equipment. Mr. Campbell said in Section 4, Subsection 3 it says that they must possess and demonstrate illegal gambling devices in this state only on premises approved by the Department SEN. COCCHIARELLA said there is a rule that goes with that and has to do with trade shows and it is a whole rule book, the page on trade shows and several pages of rules.

 $\underline{\text{Vote}}$ : Motion that SB 272 DO PASS AS AMENDED carried unanimously. 7-0

{Tape : 1; Side : A; Approx. Time Counter : 13.4}

#### EXECUTIVE ACTION ON SB 234

Motion: SEN. THOMAS moved that SB 234 DO PASS.

Discussion: SEN. THOMAS said that the question is where is the State of Montana going with the State Fund. Do you want to tie its hands or do you want it to be a functioning insurance company of sorts. Since they are regulated by law they can't do everything they might want to do. This bill would let them be a full service to Montana businesses. They are the insurer of last resort. So instead of just selling the insurance, they may want to do it on a self-funded basis with a larger company and just manage and control the claims. In the case of their being the insurer of last resort, the business owner may be better off if they handle it on a basis of a self-funded arrangement. The University System is asking to be allowed to buy their insurance from whomever they want and not be locked into this as they are now. Those two bills are parallel.

SEN. MCCARTHY said the State Fund has not proven that they are ready for what is being asked. They have a history of a rocky background. Two more years of stabilization would not hurt them. They could come back in two years and she would probably listen to the bill better. They would be giving unfair competition to the private sector. They don't pay taxes. Let's don't rush this bill through.

SEN. COCCHIARELLA said that she works for a third party administrator doing claims adjusting. Third party administrators do compensation funds for Plan 1 self-insured businesses. Having served on the interim committee in 1993, they have come a long way. This is a public sector competing with private sector for the same clients with the unfair advantage of paying premium tax, being regulated in the same way, and being protected by government. The private sector does not have those privileges. I don't disagree that the State Fund is the insurer of last resort and that creates some problems, but that is what they are there for.

**SEN. GLENN ROUSH** said that the testimony from the State Fund was that they could live and exist and continue in business without this bill.

SEN. SPRAGUE said that the Workers' Compensation should be sold but it can only sell it if it is doing well. It used to be so far in debt that the government was going to have to pay \$300 million to sell it. Now, due to the legislature prior to his first term, they worked and sacrificed and got it to where it is now on a pay as you go basis. It is profitable and the Old Fund Liability is over. He would like to see it climb to the point where it becomes marketable asset. He would vote for this bill because maybe next session or the next, the State Fund would be a nice saleable asset and get the state totally out of the business.

**SEN. JOHN HERTEL** asked **SEN. THOMAS** to address the issue of taking away from the private sector and what this bill would do to counteract that particular argument that has been raised.

SEN. THOMAS said that SEN. SPRAGUE has a complete grasp of what the issue really is and where they are going with the State Fund. The direction that he has suggested is the right way to look at this and is the right direction. The State Fund would be able to do things that would make it a complete carrier. It is the largest insurance company in Montana and it is more than able to handle this small piece of business. The State Fund now competes for Workers' Compensation business in the private sector. do this now. And, yes, there are advantages to it. But the point is that it competes now and is an integral part of our system as well as having the advantage of the premium tax. If you will, it also has a huge disadvantage of having to insure anyone that walks in the door. There are pluses and minuses. This adds a little plus to compete in the state. Eventually it will make them more solid until they can go out on their own. This bill will help keep them up and help them not to go down. The political stuff needs to be kept out of it. In the 1980's, the political stuff was what put the State Fund into a big problem.

**SEN. COCCHIARELLA** said they are the only insurance company that could come to the legislature when they get into trouble and have the legislature bail them out.

**SEN. SPRAGUE** said he didn't want to bail them out again. They need to get to the point where they are worth something and then they should be privatized. If this bill is an ounce of prevention, then more power to it.

SEN. THOMAS said that he appreciates what has been said, but it was politics that got them into that predicament. That is why they can come to the legislature and say they need help, because it was the political system that put them there. A great deal of that has been addressed by the Board of Directors and the way that it is set up. It is quasi. Hopefully the legislature can keep building it up so that it will never need to come back.

<u>Vote</u>: Motion that SB 234 WITH ROLL CALL VOTE DO PASS AS AMENDED carried 4-3 with SENATORS COCCHIARELLA, MCCARTHY AND ROUSH voting no.

{Tape : 1; Side : A; Approx. Time Counter : 26.6}

Discussion on SB 82 used up the remaining side of Tape 1.

Amendments were submitted by SEN. GLENN ROUSH EXHIBIT (bus26a03).

No.

final executive action was taken at this time.

{Tape : 1; Side : B; Approx. Time Counter : 0}

#### EXECUTIVE ACTION ON SB 108

Motion: SEN. MCCARTHY moved that SB 108 DO PASS.

<u>Discussion</u>: CHAIRMAN HERTEL said there were amendments. EXHIBIT (bus26a04).

Motion: SEN. MCCARTHY moved that SB 108 BE AMENDED.

<u>Discussion</u>: Mr. Bart Campbell explained that the first amendment clarifies the title. Charitable and free clinics did not properly identify what the clinic was. The next one that should be noticed is number five. When Steve Browning testified that the two-year intern requirement which is being put into place could have a negative impact on rural areas, so this creates an exception to that rural residency program. Number 10 on page 2, clarifies a bit more the relationship between a clinic and a dentist as far as to the work being done—who actually controls that.

SEN. HERTEL asked SEN. BERRY if these amendments get the two different groups together somewhat. SEN. BERRY said no, but the amendment that was in dissent here was strictly the Missoula situation. It clarifies what the Board of Dentistry desired and to allow these clinics to run as they have been operating.

**SEN. COCCHIARELLA** said that the amendments did reach a compromise of sorts. **SEN. BERRY** replied that the physicians situation was the first to flag his attention and with the amendment it does bring things back into a good perspective.

<u>Vote</u>: Motion that SB 108 BE AMENDED carried unanimously. 7-0

Motion/Vote: SEN. COCCHIARELLA moved that SB 108 DO PASS AS
AMENDED. Motion carried unanimously. 7-0

### HEARING ON SB 289

Sponsor: SENATOR STEVE DOHERTY, SD 24, GREAT FALLS

<u>Proponents</u>: Bob Anderson, Public Service Commissioner

Vernel Bertlesen, MT Senior Citizens Assoc.

Opponents: Barbara Ranf, U.S. West

Mike Strand,
Geoff Feiss,

## Opening Statement by Sponsor:

SENATOR STEVE DOHERTY, SD 24, GREAT FALLS. I bring to you SB 289. I view this bill as an advocate of consumer rights in Montana, and as a victim of a flim-flam operation. I think we can stop this. I will hand out evidence of my case EXHIBIT (bus26a05) and EXHIBIT (bus26a06). I called home on a pay phone and used my AT&T calling card. My call was for three minutes. When I received my bill I realized that the charge was exorbitant and who was National Billing Exchange. Why were they charging \$9.39 for a three minute phone call from Helena to Great Falls. I called them many times. I then call Bob Anderson, the Public Service Commissioner. I told him I had been ripped off. They called this exchange and persuaded them to return my money. The check that was sent to me was not even drawn on a bank but was a postal money order. What I learned from this is operator

service providers connect you when you make a call from a pay phone to somewhere. They charge you for that and it then appears on your normal phone bill. This has been happening to many, many people. Operator service providers have a nice little business going. We need to do something about it. Senate Bill 289 talks about exorbitant rates, giving consumers recourse, giving consumers information, and giving consumers notice. In Section 3, the Public Service Commission will have the authority to set up some rules in order to determine what exorbitant rates are so that people will not be gouged. Section 4 talks about disclosure. When you are connected these exchange providers must be more than just a telephone somewhere. They must tell you that are charging you and how much they will charge. Section 5 details the liability of these folks if they don't do any of the above or charge exorbitant rates. Individuals and the PSC will have the right to go after these folks. Section 6 says that if you are a bad apple, you will not do business in Montana. Section 7 is the billing disclosure. The billing disclosure requirement would demand that something on bold face would appear on your bill and say you are about to pay something that is not the normal.

## Proponents' Testimony:

Bob Anderson, Public Service Commissioner. The PSC supports SB 289. This is a pro-consumer bill. I also have been a victim. For a 10 second phone call, I was charged about \$6.00 by one of these operators. It was difficult to get my money back and it is something that the people of Montana should not have to endure. This has come about by the deregulation of the phone system. Bad things always come along when new things happen. We have a lot of complaints at the PSC about these kinds of things. Our complaint list vastly under-reports the problem. Many don't look at their bills closely enough and others just don't call in to complain. One of the biggest problems is with inmate phones. They are captive customers and the pay phones at jails are typically used by inmates who call their families collect. example, here is a call for \$6 a minute another for \$5 a minute, etc. Here is a bill with a lot of phone calls and the monthly bill is \$560. Even though they are inmates, they shouldn't be ripped off anymore than you and I. And it is really the families who are picking up the tab for the calls. I urge a Do Pass.

**Vernel Bertlesen, MT Senior Citizens Assoc.** We have been actively canvassing the state this past two years opposing and hoping to get something done about telephone fraud. This may not

be considered telephone fraud, but it amounts to the same thing. Seniors often make calls on a pay phone and get caught in this sort of thing. We certainly support this bill.

{Tape : 1; Side : B; Approx. Time Counter : 13.7}

#### Opponents' Testimony:

Barbara Ranf, U.S. West. The problem SEN. DOHERTY talks about is very real and if this bill addressed that part of the issue of getting those charges in line, we would have no problem with that. The reason I stand in opposition is because we have concerns primarily with Section 6. This Section would require us to disconnect a phone line to a pay phone. The pay phone is not the bad guy/girl. If it is disconnected, then no one can use that phone, not even for a 911 call. Section 7, the billing disclosure requirement, is a concern. We do bill the people. We are required to bill in a non-discriminatory basis. We do put it on a separate piece of paper and identify the carrier and provide you a phone number of the company. We don't necessarily provide a mailing address which is required in Subsection 2. If you call us we will provide that and even take off the charge, but if you pass this bill, we would like to work with the sponsor on making those billing disclosure requirements workable for the telephone companies as well.

Mike Strand, Executive V-P, MT Independent Telecommunications Systems. Our concerns about this bill closely parallel those of U.S. West. We are concerned about the disconnection of a pay phone. The commercial or public establishment should not be punished because they no longer can offer that phone service to their customers. The customers will also be punished by not being able to use that phone any longer. The local telephone companies get to be perceived as bad guys because we are the ones who have to go out and disconnect the pay phone. We hope the bill could be more closely tailored to punish only those folks who deserve to be punished.

Geoff Feiss, General Manager, MT Telecommunications Assoc. Like U.S. West and MITS, we also represent independent telephone companies in Montana and as currently drafted we have their same concerns. I would point out in Section 4 there are provisions in there that would be difficult if not impossible for a phone company to comply with and to predict what a total call would be. This would also place the telephone company in the position of

"telephone cop". We would work with the sponsor to make it a workable bill.

{Tape : 1; Side : B; Approx. Time Counter : 19.6}

#### Questions from Committee Members and Responses:

SEN. MIKE SPRAGUE asked SEN. DOHERTY if he had worked with the telephone companies. SEN. DOHERTY said that they had gone through three or four drafts with U.S. West. In terms of the disconnect, he would strike Section 6 from the bill. Their testimony was very reasonable on that section. As far as the billing disclosure requirements go, he felt that a compromise could be reached. On Section 4, the provider could tell what a per minute cost would be.

**SEN. SPRAGUE** asked if cell phones had been considered and if not could they be considered and included. **SEN. DOHERTY** said they were not included.

SEN. MCCARTHY asked Kate Whitney, Head, Complaint Section, Public Service Commission if it is not possible to get a rate per minute from the operator. Ms. Whitney said that in Section 4, Subsection 1, #3 and #4 are existing in PSC rules. Subsection 2 is the verbatim language out of the FCC rules. So it is possible.

**SEN. SPRAGUE** asked **Ms. Whitney** if there were rules concerning cell phones. **Ms. Whitney** said that cell service and wireless service is outside the PSC's jurisdiction. Her thoughts were that operator service providers would not include wireless or cell phones.

**SEN. HERTEL** asked **SEN. DOHERTY** if he would work with some of the opponents to clear up some of the problems that have been presented. **SEN. DOHERTY** responded in the affirmative.

#### Closing by Sponsor:

This has been a good hearing and I appreciate the questions. If the PSC doesn't have regulation over wireless and cell, it might be a big jump to drag them in at this point. I appreciate the folks from the telecommunications industry. When consumers feel ripped off, they automatically become angry at the phone companies. They may not know that the National Billing Exchange is somewhere on the east coast and never find them, but they will

vent their anger at the local phone companies. I don't want them to do this and am perfectly willing to work with the phone companies. This is a good bill. And I think it can be fixed to suit everyone.

{Tape : 1; Side : B; Approx. Time Counter : 26.7}

#### HEARING ON SB 275

Sponsor: SENATOR DUANE GRIMES, SD 20, CLANCY

Proponents: Mike Cooney, Secretary of State

Bill Olson, AARP

Opponents: Ross Cannon, Direct Marketing Assoc.

Ralph Randon, Telemarketer, Great Falls

Mark Baker, Attorney, AT&T and National Assoc. of

Independent Insurers

Brad Griffin, MT Retail Assoc.

Barbara Ranf, U.S. West Mark Staples, MCI World Com

## Opening Statement by Sponsor:

SENATOR DUANE GRIMES, SD 20, CLANCY. I bring you SB 275 and this is a bill that comes directly from my constituents. This bill creates a list of people in the Secretary of State's office who do not wish to be solicited for anything by anyone. Everyone I have talked to want to be on the list. In Section 1 there is a list of persons unwilling to receive telephone solicitation calls and any person residing in the State may submit in writing their name, address and telephone number to the Secretary of State's I have talked with the Secretary and his staff and they have several ideas on how to handle this. In Subsection 2 indicates that there will be written information in the request. In Subsection 3, a person may update that information. In Section 2 there is a requirement to obtain the list of these people. This would apply to any marketer or telephone solicitor who is attempting to sell goods or services or for contribution or subscription. This could be obtained monthly, and this would have to be an amendment. I would work on this with Mr. Campbell. This could be done electronically. In Section 3 there is the civil remedy. It is not onerous. It gives some tools to people in their homes who can't seem to get the telephone solicitations to cease. They may institute an action against the person,

business entity or charitable organization on whose behalf the call is made. In Subsection 2 the entitlement for damages is up to \$1000 and reasonable attorney's fees and costs. An effective date for the bill has not been set. This bill is so popular that possibly July 1 would be a good date.

# Proponents' Testimony:

Mike Cooney, Secretary of State. We have been in contact with SEN. GRIMES and as you can see from the bill, we would be the ones responsible for maintaining the list. We worked on how this could best be done and it would not be an impossible task. Any fees that might have to be charged would have to fall under the current structure that is in law. We don't believe this would have to go to a vote of the people. Obviously without knowing the exact impact of numbers of people at any one time, we believe we can compile and maintain the lists. I did suggest that there might be need for some amendment to help clarify this. In Section 45-8-216 which talks about unlawful automated telephone solicitation, some of the exception language might need clarification. I have copies of the proposed amendments **EXHIBIT (bus26a07).** This is basically the same language under the unlawful automated telephone solicitation. We feel that this is a good bill and would be a big help to people who would like to stop these kinds of calls.

Bill Olson, AARP. The concept of the bill is a good idea. There is a ""do not call"" list per se which is available to the public through such entities such as Direct Marketing Assoc. You can get your name on a "do not call" list. SENATE BILL 27 has a clause that is relative to the time that telephone calls can be made. I do support the bill lukewarmly.

{Tape : 1; Side : B; Approx. Time Counter : 42.3}

# Opponents' Testimony:

Ross Cannon, Direct Marketing Assoc. The vast majority of telemarketing calls are interstate calls. State law has little or no effect on these calls to the extent that a telephone telemarketing call is generated from out-of-state and to the extent that federal law exists to regulate it; federal law preempts, so state law has little to no effect. Therefore, the only telemarketers that would be affected by a bill like this are intrastate callers. I have an exhibit here EXHIBIT (bus26a08) that shows the Federal Trade Commissions rule and Federal Trade

Communications rule which are virtually identical that require all interstate telemarketers to maintain ""do not call"" lists. The majority of the telemarketers who are members of my association maintain a telephone preference list both for mail calls and telephone calls. One just fills out the little form and send it in. They must maintain it for ten years. Our members are mandated to use these lists. Even in the telephone book there is a notice of where to get your name on a "do not call" list.

# {Tape : 2; Side : A; Approx. Time Counter : 0}

I wonder if this bill has any utility at all. I grant you that there are telemarketers that won't follow any law. I would encourage the committee to look seriously at the examples that I have sited and I am also handing out **EXHIBIT** (bus26a09) a copy of a Tennessee law which says in effect any telemarketer which has a mechanism available for allowing people to get on the ""do not call"" list is exempt from the bill. Any other telemarketer must set up a mechanism for that effect.

Ralph Randon, Telemarketer, Great Falls. I speak in opposition to this bill even though I probably am not affected by it. bill, while well intended, will not work for the peace and quiet in the homes of Montana. I operate a business in Montana but we "do not call" within the State of Montana. There is probably 1,000 ""do not call"" lists out there. The most comprehensive is the one Mr. Cannon refers to. The company I do business with belongs to that Direct Marketing Assoc. Every telemarketer in the world obtains a list of prospective customers. They obtain these lists from everyone else. Everyone sells lists. The State of Montana does. Every time you register your car or register to vote or when you use your credit card, etc. your name is on a list that will be sold. There are thousands of list providers. Now, the last thing I want my people to do is call someone who does not want to be called. It wastes our time. Also, it costs money to get these lists of names, 40-60 cents per name. So you don't want to be calling someone who does not want to be called. So if a person says they do not want to be called again, my operator hits a computer and enters their name on the "do not call" list. We call about 25,000 people a week. As you can see it is expensive and you surely don't want to call those who don't want that call. While this bill is well-intended, it probably isn't going to work. FTC and FCC are working toward some legislation that someday there will a national clearing center where every consumer can call an 800 number and be put on a

national "do not call" list. The other problem is that it appears to be unenforceable. And then what remedy does a person really have. If you try to pursue a telemarketer in Florida, where do you sue them—in Florida or Montana. Then you have attorney fees and is it worth it for a call that you didn't want to receive. I don't feel that this bill is a realistic solution.

{Tape : 2; Side : A; Approx. Time Counter : 7}

Mark Baker, Attorney, AT&T and National Assoc. of Independent Insurers. He gave his testimony and handed in the written copy EXHIBIT (bus26a10).

Brad Griffin, MT Retail Assoc. We are opposed to the bill. However, I do have two amendments EXHIBIT (bus26all). One has been mentioned already. Should these two amendments be accepted by the committee, we would be ardent supporters of the bill. We see a lot of problems with the bill and therefore do oppose it without the amendments.

Barbara Ranf, U.S. West. As we have employees in Montana that do call our customers and talk to them about different promotions, we do fall under the provisions of this bill. Some of our concerns already have been talked about--existing business relationships--the interstate jurisdiction. The federal "do not call" provisions have been passed back in 1994 that applies to U.S. West and to every business in this country. It says that you will maintain a "do not call" list. If this is not honored there is a \$10,000 civil penalty. Our major concern with the bill is how to comply with it. When do we get the list? How long do we have not to call the people?

Mark Staples, MCI World Com. Half the problem here is people don't know how to stop this. The mechanisms are there. The information is not being assimilated by the consumer themselves. It is covered in so many ways. Everyone in the room has a "do not call" list. What needs to be done is to publicize that these mechanisms exist. There are times that a call is good. There are charitable groups that call and I need to have those reminders. So we shouldn't throw the baby out with the bath water.

Questions from Committee Members and Responses: None

Closing by Sponsor:

SEN. GRIMES closed. I think this is a very good idea. I believe you heard from the companies who are in various aspects of telemarketing and now you should hear from your constituents and let them weigh in on the issue. Let Montanans express their opinions. You will find that they have some strong opinions on this. There are other states that do some more things to this and it has an affect. This is not the end all to solve all our problems. There are so many lists out there, maybe that is the point and we need to consolidate that list. Something needs to be done. The costs as addressed by the Secretary of State are insignificant and there is probably some cost to the companies although those current charges that we use for getting information from the state is not significant. There are some questions as to the time frame whether it be quarterly or monthly and I will leave that to the wisdom of the committee. The PSC just reminded me that you should look at the FTC and the FCC call lists. They actually require a person to go to the county attorney in order to begin to take their action so it seems to have an additional barrier in it. The barriers that have been brought up by some of the opponents indicate that this is not going to be real onerous and could be difficult for someone to take action; yet, if the problem persists, it is a tool that they can use. When states have enacted legislation, it has been effective in addition to the federal laws. If there is technology available to screen some of these calls, this is just another tool people can use. Concerning the amendments, I would be willing to leave it to the discretion of the committee. I would emphasize to you that I bring this to you on behalf of constituents. And I believe there would be a great number of your own constituents that would be interested as well. I would not want to water it down too much. I hope that you will give this bill serious consideration. Thank you.

# <u>ADJOURNMENT</u>

Adjournment: 10:20 A.M.

SEN. JOHN HERTEL, Chairman

MARY GAY WELLS, Secretary

JH/MGW

EXHIBIT (bus26aad)